

and financial institutions the next business day.

The Contractor shall accommodate the procedures required above to provide daily cutoff, determine financial position, and perform settlement, and reconciliation activities. Other responsibilities include:

- Ensuring file format, transmission protocols, and settlement windows correspond to prevailing EFT standards established between retailers, financial institutions, and networks
- Verifying electronic transactions flowing to or, in some circumstances, from participating EBT service provider financial accounts
- Creating and maintaining a file containing individual records of EBT transactions
- Totaling all credits accumulated by each financial institution and retailer
- Providing balance information to retailers for store terminal totals from individual POS terminals as appropriate
- Providing each retailer or their designated third party processor and ATM networks with information on their net position in the system on a daily basis
- Accepting liability for errors in the creation or transmission of the ACH tape
- Complying with new Federal, State or county settlement procedures issued during the life of the contract.

All financial report contents and formats shall be provided to the State and counties for review and approval before EBT operations. All financial and settlement reports shall be made available via an on-line terminal system connected directly to the EBT Host system. As necessary, State offices, CWDs, and county financial offices (e.g., Treasurers, Auditors/Controllers) shall have administrative terminals available to access daily financial information, settlement summaries and detail reports.

Meets Requirement: Yes \_\_\_\_\_ No \_\_\_\_\_

Reference Document: \_\_\_\_\_ Page(s) \_\_\_\_\_

Description: \_\_\_\_\_

### 6.12.1 Food Stamp Settlement

#### 6.12.1.1 Program Funding

FSP benefits are not funded until a recipient transaction is settled. Benefit amounts for which the recipient is eligible will be authorized by a benefit authorization file or a benefit authorization record transmitted by CWDs to the Contractor. FSP benefits credited to the food stamp account represent credit balances only; no funds will be transferred when benefits are authorized. On the day the recipient accesses benefits, the Contractor shall initiate a draw of Federal funds sufficient